

TEMPUR PEDIC INTERNATIONAL INC
 Form 4
 April 23, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Rao Bhaskar

2. Issuer Name and Ticker or Trading Symbol
TEMPUR PEDIC INTERNATIONAL INC [TPX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
04/21/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
SVP Strat Plng, Corp Dev & CAO

C/O TEMPUR-PEDIC INTERNATIONAL INC., 1713 JAGGIE FOX WAY

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

LEXINGTON, KY 40511

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 04/21/2010 | | M | | 9,463 | <u>A</u> (1) | \$ 10.66 |
| Common Stock | 04/21/2010 | | M | | 4,400 | <u>A</u> (1) | \$ 12.37 |
| Common Stock | 04/21/2010 | | M | | 9,350 | <u>A</u> (1) | \$ 14.77 |
| Common Stock | 04/21/2010 | | M | | 8,800 | <u>A</u> (1) | \$ 20.27 |
| | 04/21/2010 | | M | | 5,000 | | \$ 11.76 |

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| | | | | | | | | |
|--------------|------------|---|--------|-----------------|----------------------|--------|---|--|
| Common Stock | | | | <u>A</u> (1) | | | | |
| Common Stock | 04/21/2010 | M | 5,000 | <u>A</u> (1) | \$ 6.14 | 42,013 | D | |
| Common Stock | 04/21/2010 | S | 42,013 | <u>D</u> (1) | \$ (2) 33.6994 | 0 | D | |
| Common Stock | 04/23/2010 | M | 10,000 | <u>A</u> (1) | \$ 19.22 | 10,000 | D | |
| Common Stock | 04/23/2010 | M | 4,300 | <u>A</u> (1) | \$ 12.37 | 14,300 | D | |
| Common Stock | 04/23/2010 | M | 2,500 | <u>A</u> (1) | \$ 11.76 | 16,800 | D | |
| Common Stock | 04/23/2010 | S | 16,800 | <u>D</u> (1) | \$ 35.9 | 0 | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option | \$ 10.66 | 04/21/2010 | | M | 9,463 | <u>(3)</u> | 10/25/2015 | Common Stock | 9,463 |
| Stock Option | \$ 12.37 | 04/21/2010 | | M | 4,400 | <u>(4)</u> | 12/15/2015 | Common Stock | 4,400 |
| Stock Option | \$ 14.77 | 04/21/2010 | | M | 9,350 | <u>(5)</u> | 05/11/2016 | Common Stock | 9,350 |
| Stock Option | \$ 20.27 | 04/21/2010 | | M | 8,800 | <u>(6)</u> | 12/21/2016 | Common Stock | 8,800 |
| Stock | \$ 11.76 | 04/21/2010 | | M | 5,000 | <u>(7)</u> | 05/15/2018 | Common | 5,000 |

| Option | | | | | | | | Stock | |
|--------------|----------|------------|---|--------|-----|------------|--------------|--------|--|
| Stock Option | \$ 6.14 | 04/21/2010 | M | 5,000 | (8) | 02/27/2019 | Common Stock | 5,000 | |
| Stock Option | \$ 19.22 | 04/23/2010 | M | 10,000 | (9) | 05/02/2015 | Common Stock | 10,000 | |
| Stock Option | \$ 12.37 | 04/23/2010 | M | 4,300 | (4) | 12/15/2015 | Common Stock | 4,300 | |
| Stock Option | \$ 11.76 | 04/23/2010 | M | 2,500 | (7) | 05/15/2018 | Common Stock | 2,500 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Rao Bhaskar C/O TEMPUR-PEDIC INTERNATIONAL INC. 1713 JAGGIE FOX WAY LEXINGTON, KY 40511 | | | SVP Strat Plng, Corp Dev & CAO | |

Signatures

/s/ Bhaskar Rao

04/23/2010

**Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The shares were sold pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on October 23, 2009 in order to cause the applicable sales to fall within the scope of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. The Rule 10b5-1 trading plan contains specific instructions to sell shares pursuant to the exercise of options if the price of the Issuer's common stock exceeds a pre-determined price per share.

(2) This price is the weighted average sale price for the transactions on this line. The price for the transactions reported on this line range from \$33.41 to \$33.90. The reporting person undertakes to provide, upon request by the staff of the Securities and Exchange Commission, the issuer, or a security holder of the issuer, full information regarding the number of shares sold at each separate price.

(3) These options vest and become exercisable in a series of installments. The first installment, which consisted of 25% of the original aggregate number of options granted, vested on October 25, 2006. The remaining options vested in a series of twelve successive equal quarterly installments.

(4) This stock option vests in four equal annual installments starting on the first anniversary date of the grant, or December 15, 2006.

(5) This stock option vests in four equal annual installments starting on the first anniversary date of the grant, or May 11, 2007.

(6) This stock option vests in four equal annual installments starting on the first anniversary date of the grant, or December 21, 2007.

(7) This stock option vests in four equal annual installments starting on the first anniversary date of the grant, or May 15, 2009.

(8) This stock option vests in four equal annual installments starting on the first anniversary date of the grant, or February 24, 2010.

(9) These options became fully vested pursuant to a stock sale restriction agreement dated December 15, 2005 between the reporting person and the issuer. The agreement restricts the reporting person's sale of common stock purchased pursuant to this option. All restrictions lapsed by May 2, 2009.

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